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FM AMEMBASSY RABAT  
TO RUEHC/SECSTATE WASHDC PRIORITY 8958  
INFO RUEHAS/AMEMBASSY ALGIERS 4867  
RUEHMD/AMEMBASSY MADRID 6037  
RUEHNK/AMEMBASSY NOUAKCHOTT 3797  
RUEHFR/AMEMBASSY PARIS 5095  
RUEHCL/AMCONSUL CASABLANCA 4245

C O N F I D E N T I A L RABAT 000735

SIPDIS

E.O. 12958: DECL: 08/03/2018  
TAGS: [ECON](#) [PHUM](#) [ENRG](#) [PGOV](#) [PINR](#) [PREL](#) [KMCA](#) [MO](#)  
SUBJECT: MOROCCO: THE AMBASSADOR'S CHAT WITH A KEY ROYAL  
ADVISOR

Classified By: Ambassador Thomas T. Riley for reasons 1.4 (b) and (d).

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Summary  
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¶1. (C) Abdelaziz Belfkih, Counselor to King Mohammed VI on education, energy and agriculture issues, told the Ambassador that concern over energy and fuel supplies remains a high priority for the Kingdom, but mitigating strategies are hampered by Morocco's complicated relationship with Algeria. Belfkih agreed with the Ambassador that corruption is a primary obstacle to effective educational reform, and must be resolved if Morocco is to continue to expand its overall economy as well. The same applied to water resource management, an issue that increasingly underpins all discussion of development and growth in Morocco. Belfkih respectfully listened to the Ambassador's comments on human rights issues related to Western Sahara. He was knowledgeable about and interested in the domestic U.S. political context. Although he has a low public profile, Belfkih is rumored to be one of the King's most important advisors and appears to have regular contact with him and was well informed about the Ambassador's June 30 meeting with the monarch. Belfkih can be approached on issues outside of his designated portfolios. End Summary.

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Moroccan Energy Deficit, Algerian Energy Surplus:  
An Uneasy Combination  
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¶2. (C) The Ambassador had a wide ranging and informal three-hour-long discussion during an early morning golf outing on July 27 with Royal Counselor Abdelaziz Belfkih, principal advisor to King Mohammed VI on education, energy and agriculture. Belfkih confirmed that energy concerns are high on the royal agenda. He expressed frustration with Algerian intransigence on questions of cross-border energy cooperation with Morocco, particularly in regards to a pipeline that originates in Algerian oil fields and crosses Moroccan territory before dipping below the Mediterranean on its way to lucrative European markets.

¶3. (C) Despite technical agreements signed by Moroccan Minister of Energy Amina Benkhadra during a mid-July trip to Algiers endorsing significantly greater oil and gas sales to Morocco, Algeria still refuses to allow its neighbor to increase the actual amount of product it is allowed to purchase and divert from the pipeline. Belfkih believes that Benkhadra, with whom the Ambassador met on July 25, is doing a good job of attempting to diversify Morocco's energy supply base, but must proceed with a strategy that, realistically, assumes no increases in energy imports from Algeria for the foreseeable future.

14. (C) Belfkih noted that nuclear energy is a viable option and is under active and serious consideration, but that Morocco must proceed "step by step" in order to assess implications and complications. The current electrical grid, he explained, is "too fragile" to absorb the exponential increase in load associated with nuclear power generation. "We must be aware of our commitments and plans" when designing the overall energy plan, he noted, and move deliberately.

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Education and Corruption  
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15. (C) The Ambassador mentioned that he had not had time to raise the issue of corruption with the King during his June 30 meeting, as he had hoped, but believed that it was a key obstacle to Morocco's continued progress. Belfkih agreed wholeheartedly and said it was an issue of particular concern in the education sector, where a large portion of any given school's payroll consists of "ghost employees" who draw salaries without actually working. Before the development of a national school system, teachers were drawn from the local population, which exercised a degree of oversight and accountability over school employees. Now, Belfkih explained, community members look to Rabat to fix problems with corruption and mismanagement and have lost a sense of local ownership over their children's education. This weakness in local participation was a key impetus behind the King's overall drive to decentralize Morocco's administrative apparatus.

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Water  
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16. (C) Belfkih agreed with the Ambassador that the same dynamic of local ownership applied to questions of water management, although he felt that industrial and large-scale agricultural water use was a more salient issue than rural agricultural utilization. He said that small-scale agriculture and household use accounted for only 10 to 15 percent of Morocco's total water consumption, and, as such, could be allowed to continue using traditional and inefficient management techniques without much harm. The real challenge, he said, was to improve efficiencies among medium-to-large scale agricultural enterprises, the industrial sector and the booming housing and sectors.

17. (C) The Ambassador disagreed and described seeing dangerously wasteful irrigation practices at many small-scale farms during his visits to rural areas. He also discussed his discomfort at seeing USAID funded irrigation projects fail as a result of corruption, local inefficiencies or legal obstacles preventing community access to financing. Belfkih expressed surprise at these comments and said he would look into the issue. He agreed with the Ambassador that the Millennium Challenge Account represents an excellent vehicle creating sustainable jobs by improving the complete distribution channel, not just one part.

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Human Rights  
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18. (C) The Ambassador reiterated the importance of adhering to human rights standards, particularly in Western Sahara. He emphasized that Morocco had garnered a great deal of international good will through its positive approach to the Manhasset process, but that "one picture" of a Moroccan policeman beating a Sahrawi protester could undo hard-won progress and alter the negotiating calculus. Belfkih agreed that an enlightened approach and continued concrete socio-economic investment in the territory would help allay suspicion on the ground in the Western Sahara.

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U.S. Elections

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¶9. (C) Belfkih was interested in, and well informed about, the upcoming U.S. presidential election. He asked what a change in administration would "do to Morocco" on issues like Western Sahara. He discussed the differences between the candidates on social programs and education, and compared the U.S. debate with Morocco's efforts to balance the management of a governmental safety net with the creation of a more decentralized and entrepreneurial social and economic system.

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Comment  
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¶10. (C) Belfkih was well briefed on the Ambassador's June 30 meeting with the King and, based on certain comments he made, appears to speak with the monarch regularly. Belfkih has a low key public profile, but is known to be a member of the inner circle of royal advisors and, as such, should be maintained as a key Embassy and USG interlocutor. His assigned portfolios are vitally important to Morocco's development and economic reform efforts and are a mark of the esteem in which he is held. Although the conversation with Belfkih was informal and off the record, the Ambassador was pleased to be able to make points about corruption, human rights, and Western Sahara, knowing that they would reach the King's ears. Given Belfkih's close relationship with Mohammed VI, he can be approached on issues outside of his portfolios. End Comment.

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